**Increase in FDI**

2341. SHRI JANARDHANA POOJARY. Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that FDI in India is expected to treble by the close of financial year 2004-2005;

(b) if so, the details in this regard with FDI during the last five years, year-wise and sector-wise;

(c) what are the areas the overseas investors are evincing interest in and the sectors that would be of interest to such investors during the next five years; and

(d) what measures are contemplated to facilitate the anticipated volume of FDI?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) During the financial year 2004-05, equity component of Foreign Direct Investment (FDI) inflow (upto December, 2004) was Rs. 14,232.42 crore. Statement showing Sector-wise and Year-wise (FDI) inflow during the last five years is enclosed. (*see* below)

(c) and (d) Top five sectors attracting FDI inflow since 2000-01 are Electrical Equipments (including computer software and electronics). Telecommunications, Fuels (Power & Oil Refinery), Transportation Industry and Service Sectors.

Under the liberalised economic environment, investment decisions including the choice of sectors and locations, are taken by the entrepreneur based on their commercial and other relevant considerations. The Government have put in place a liberal and transparent policy wherein FDI upto 100% is allowed under the automatic route in most sectors/activities. Cases requiring prior Government approval are considered by the Foreign Investment Promotion Board. FDI policy, including procedures, is reviewed on an ongoing basis to facilitate inflow of FDI.

## *Statement*

*Financial year-wise break-up for Foreign Direct Investment (FDI) inflows received from April, 2000 to December, 2004*

(Amount in crore rupees)

| Sl. No. | Sector | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 (upto Dec 2004) | Total |
|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1. | ELECTRICALS EQUIPMENT (including computer software & electronics) | 1373.85 | 2270.88 | 3075 23 | 2449.32 | 2482 74 | 11652.02 |
| 2. | TELECOMMUNICATIONS | 1127 46 | 3959 | 1058.41 | 531 95 | 510.52 | 7187 34 |
| 3. | FUELS (POWER & OIL REFINERY) | 392 83 | 4504 73 | 551 19 | 520 94 | 632 53 | 6602 23 |
| 4 | TRANSPORTATION INDUSTRY | 864 78 | 1230 63 | 2172 55 | 1417 13 | 679 07 | 6364 17 |
| 5. | SERVICE SECTOR | 316.8 | 895.26 | 1551 | 1235 27 | 996 17 | 4994 5 |
| 6 | DRUGS AND PHARMACEUTICALS | 160.29 | 355 56 | 191 58 | 501 67 | 1330 99 | 2540 1 |
| 7. | CHEMICALS (OTHER THAN FERTILIZERS) | 515 44 | 433 24 | 611 27 | 93 69 | 859.86 | 2513 5 |
| 8. | FOOD PROCESSING INDUSTRY | 198 13 | 1036 12 | 176.53 | 510 85 | 154 26 | 2075 88 |
| 9 | CONSULTANCY SERVICES | 18 47 | 298 67 | 121 94 | 257 13 | 1142 64 | 1838 85 |
| 10 | METALLURGICAL INDUSTREIS | 107 34 | 95.28 | 221 85 | 146 06 | 808 42 | 1378 94 |
| 11. | CEMENT AND GYPSUM PRODUCTS | 291 24 | 630 13 | 101 17 | 44 04 | 0 73 | 1067 32 |
| 12 | MISCELLANEOUS MECHANICAL & ENGINEERING | 195 75 | 278 05 | 211.69 | 100.07 | 56 22 | 841 78 |
| 13. | HOTEL & TOURISM | 56 98 | 151 33 | 160 14 | 226 8 | 140 21 | 735 46 |

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---|---|---|---|---|---|---|---|
| 14. | TRADING | 50.72 | 194.99 | 182.76 | 104.66 | 41.99 | 575.12 |
| 15. | TEXTILES (INCL. DYED, PRINTED) | 8.89 | 24.07 | 258.19 | 42.84 | 176.82 | 510.82 |
| 16. | RUBBER GOODS | 0.46 | 222.48 | 75.62 | 29.31 | 181.97 | 509.84 |
| 17. | GLASS | 145.64 | 37.68 | 215.88 | 24.11 | 38.47 | 461.78 |
| 18. | PAPER AND PULP INCLUDING PAPER PRODUCT | 258.18 | 76.84 | 34.99 | 31.68 | 12.41 | 414.1 |
| 19. | MACHINE TOOLS | 6.25 | 19.46 | 67.88 | 250.75 | 49.73 | 394.06 |
| 20. | MEDICAL AND SURGICAL APPLIANCES | 24.01 | 191.54 | 103.77 | 9.26 | 22.44 | 351.02 |
| 21. | INDUSTRIAL MACHINERY | 23.69 | 147.95 | 91.44 | 13.93 | 37.74 | 314.74 |
| 22. | FERTILIZERS | 0 | 0 | 78.63 | 99.29 | 61.9 | 239.82 |
| 23. | FERMENTATION INDUSTRY | 68.88 | 49.7 | 38.68 | 7.82 | 33.94 | 199.02 |
| 24. | CERAMICS | 17.75 | 3.53 | 1.01 | 6.78 | 120.47 | 149.55 |
| 25. | COMMERCIAL OFFICE & HOUSEHOLD EQUIPMENT | 52.55 | 22.56 | 10.81 | 40.96 | 10.79 | 137.67 |
| 26. | AGRICULTURAL MACHINERY | 15.65 | 5 | 64.68 | 0.11 | 0 | 85.43 |
| 27. | LEATHER, LEATHER GOODS AND PICKERS | 43.32 | 0.92 | 0.05 | 32.18 | 2.03 | 78.5 |
| 28. | EARTH-MOVING MACHINERY | 0 | 0.48 | 66.12 | 0.05 | 0.47 | 67.12 |
| 29. | SCIENTIFIC INSTRUMENTS | 35.19 | 10.47 | 0.92 | 0.07 | 0.14 | 46.78 |
| 30. | INDUSTRIAL INSTRUMENTS | 4.54 | 22.83 | 6.21 | 4.16 | 4.95 | 42.68 |
| 31. | SUGAR | 0 | 0 | 19.08 | 0.25 | 13.51 | 32.84 |
| 32. | VEGETABLE OILS AND VANASPATI | 0 | 0 | 0 | 7.79 | 24.9 | 32.69 |
| 33. | GLUE AND GELATIN | 0 | 4.5 | 25.08 | 0 | 0 | 29.58 |

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---|---|---|---|---|---|---|---|
| 34. | DYE-STUFFS | 4.5 | 0.87 | 0 | 2 | 5.42 | 12.79 |
| 35. | PHOTOGRAPHIC RAW FILM AND PAPER | 0 | 0 | 2.83 | 1.35 | 1.18 | 5.37 |
| 36. | SOAPS, COSMETICS AND TOILET PREPARATIONS | 0 | 0 | 0 | 0 | 4.09 | 4.09 |
| 37. | TIMBER PRODUCTS | 0 | 0.22 | 0.2 | 0.5 | 0.07 | 0.99 |
| 38. | PRIME MOVERS OTHER THAN ELECTRICAL | 0 | 0 | 0 | 0 | 0.25 | 0.25 |
| 39. | BOILERS AND STEAM GENERATING PLANTS | 0 | 0 | 0 | 0.2 | 0 | 0.2 |
| 40. | MATHEMATICAL SURVEYING AND DRAWING | 0 | 0.02 | 0 | 0 | 0 | 02 |
| 41. | MISCELLANEOUS INDUSTRIES | 3988.42 | 1311.28 | 1321.3 | 1319.11 | 1107.22 | 9047.33 |
| 42. | ADVANCE OF INFLOW | 1912.58 | 706.61 | 1977.12 | 1880.76 | 2485.15 | 8962.22 |
| 43. | STOCK SWAPPED | 0 | 0 | 84 | 172.5 | - | 256.5 |
| 44. | NRI-RBI SCHEMES | 364.63 | 167.94 | 0.49 | 0 | 0 | 533.06 |
| | **GRAND TOTAL** | **12645.19** | **19360.82** | **14932.29** | **12117.36** | **14232.42** | **73288.08** |

Note: The above data reflect only equity component of the FDI. 'Reinvested earnings' and 'Other capital' components of FDI are not reflected in the above data.